

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO
RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO,
et al.

Debtors.¹

PROMESA
Title III

No. 17 BK 3283-LTS

(Jointly Administered)

**FIRST SUPPLEMENTAL DECLARATION OF
STEVEN SIMMS IN SUPPORT OF THE APPLICATION OF THE
OFFICIAL COMMITTEE OF RETIRED EMPLOYEES OF THE
COMMONWEALTH OF PUERTO RICO FOR ORDER
APPROVING THE EMPLOYMENT OF FTI CONSULTING, INC.**

I, Steven Simms, hereby declare (this “**First Supplemental Declaration**”) that the following is true and correct to the best of my knowledge, information and belief:

1. On June 27, 2017, the Official Committee of Retired Employees of the Commonwealth of Puerto Rico (the “**Retiree Committee**”) selected FTI Consulting, Inc. (“**FTI**”) as its counsel, subject to this Court’s approval.²

2. On August 4, 2017, the Retiree Committee filed with the Court its *Application of the Official Committee of Retired Employees of the Commonwealth of Puerto Rico for Order*

¹ The Debtors in these jointly-administered PROMESA title III cases (these “**Title III Cases**”), along with each Debtor’s respective title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are: (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (Bankruptcy Case No. 17 BK 3284) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); and (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686).

² For purposes of this First Supplemental Declaration, as discussed in greater detail in Paragraph 7 of my Original Declaration (defined below), FTI does not include Compass Lexecon LLC (“**CL**”), a subsidiary of FTI.

Approving the Employment of FTI Consulting, Inc. (Dkt. No. 877, the “**Application.**”)³ Attached as Exhibit A to the Application is the *Declaration of Steven Simms in Support of Application of the Official Committee of Retired Employees of the Commonwealth of Puerto Rico for Order Approving the Employment of FTI Consulting, Inc.* (Dkt. No. 877, Exhibit A, the “**Original Declaration.**”)

3. In the Original Declaration, I stated that I would amend my declaration upon learning that: (a) any of the representations made therein were incorrect, or (b) there was any change of circumstance relating thereto. Accordingly, I now submit this First Supplemental Declaration to supplement, but not to supersede in any way, the Original Disclosure.

4. I submit this First Supplemental Declaration in an abundance of caution to disclose that Christopher Cardaci, the spouse of one of the FTI Professionals working on the FTI Retiree Committee Engagement, was nominated by the Governor of the Commonwealth of Puerto Rico and is serving as a private sector member of the Board of Directors of Enterprise Puerto Rico and is serving as a private sector member of the Board of Directors of Enterprise Puerto Rico. Upon information and belief, Mr. Cardaci is Senior Counsel at Space Exploration Technologies (SpaceX) and served as Deputy Secretary of the Puerto Rico Department of Economic Development and Commerce from June 2009 to May 2010. In addition, upon information and belief, Enterprise Puerto Rico is a non-governmental organization and non-profit corporation authorized by a law of the Commonwealth of Puerto Rico for the purpose of promoting the economic development of Puerto Rico.

5. Based on the foregoing and the information contained in the Original Declaration, and subject to paragraph 12 thereof, although not required by PROMESA, I believe that I am, and each FTI Professional is, a “disinterested person” as that term is defined in 11 U.S.C. § 101(14); that neither I nor any FTI Professional holds or represents any interest adverse to the

³ Capitalized terms used herein and not defined shall have the meaning given to them in the Application.

Debtors' estates; and that FTI does not represent in other matters parties with any interest adverse to the Debtors' estates, except as otherwise specified in the Original Declaration. Accordingly, I submit that FTI is not disqualified for employment by the Retiree Committee to represent it in these Title III Cases.

6. I will amend this First Supplemental Declaration immediately upon learning that:
(a) any of the representations herein are incorrect, or (b) there is any change of circumstance relating thereto.

I declare under penalty of perjury as provided in 28 U.S.C. § 1746 that the foregoing is true and correct according to the best of my knowledge, information and belief.

Dated: September 6, 2017



Steven Simms